

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
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SUITE 200  
WASHINGTON, D.C.  
20006-2973  
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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

May 3, 1996

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are ~~two (2)~~ <sup>five (5)</sup> copies of a Termination of Agreement, dated as of May 1, 1996, a secondary document as defined in the Commission's Rules for the Recordation of Documents.

The enclosed document relates to the Locomotive Lease Agreement, which was previously filed with the Commission under Recordation Number 18810.

The names and addresses of the parties to the enclosed document are:

Lessor: National Railway Equipment Co.  
PO Box 2270  
Dixmoor, Illinois 60426

Lessee: Dakota, Minnesota & Eastern Railroad Corporation  
337 22nd Avenue South  
Brookings, South Dakota 57006

A description of the railroad equipment covered by the enclosed document is:

Six (6) locomotives identified on Schedule I to the Termination of Agreement

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

MAY 6 11 34 AM '96

18810-A

MAY 6 1996 11 34 AM

Counterparts - J.A.

Mr. Vernon A. Williams  
May 3, 1996  
Page 2

Also enclosed is a check in the amount of \$21.00 payable to the order of the  
Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "R. Alvord", written in dark ink.

Robert W. Alvord

RWA/bg  
Enclosures

18810-A

TERMINATION OF AGREEMENT

THIS TERMINATION OF AGREEMENT is made this 1st day of May, 1996, by and between DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, a Delaware corporation ("*Lessee*"), and NATIONAL RAILWAY EQUIPMENT CO., an Illinois Corporation ("*Lessor*").

WHEREAS, Lessee and Lessor are parties to a Locomotive Agreement, dated as of April 12, 1994 (the "*Agreement*"); and

WHEREAS, the Agreement was duly filed for recordation with the Interstate Commerce Commission (the "*ICC*"), now know as the Surface Transportation Board, pursuant to 49 U.S.C. Section 11303, on May 17, 1994, at 9:40 a.m. and given Recordation Number 18810; and

WHEREAS, Lessee and Lessor desire to terminate and cancel the Agreement with respect to the equipment described herein and to record such termination and cancellation with the ICC;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is acknowledged, Lessee and Lessor, intending to be legally bound, agree as follows:

1. Lessee and Lessor hereby terminate and cancel the Agreement, effective upon the passage of Title and Risk of Loss as defined in the Lease Termination and Agreement of Purchase dated May 1, 1996 between the parties, with respect to the equipment described on Schedule 1 attached hereto (hereinafter, the "*Terminated Equipment*").

2. The parties agree to record this Termination of Agreement with the Surface Transportation Board so as to release any lien against the Terminated Equipment created by or arising out of the Agreement.

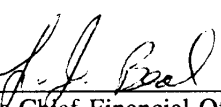
3. This Termination of Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Termination of Agreement.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Termination of Agreement to be executed as of the day and year first above written.

DAKOTA, MINNESOTA & EASTERN  
RAILROAD CORPORATION

By:   
Its Chief Financial Officer

NATIONAL RAILWAY EQUIPMENT CO.

By:   
Its Chief Financial Officer President

STATE OF ILLINOIS       )  
                                  SS  
COUNTY OF COOK        )

On this, the \_\_\_\_ day of May, 1996, before me, a Notary Public in and for said County and State, personally appeared Kurt Feaster, of Dakota, Minnesota & Eastern Railroad Corporation, who acknowledged himself to be a duly authorized officer of Dakota, Minnesota & Eastern Railroad Corporation, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

\_\_\_\_\_  
Name:  
Notary Public  
My Commission Expires:  
Residing in:

STATE OF ILLINOIS       )  
                                  SS  
COUNTY OF ~~COOK~~        )  
                                  Will

On this, the 2nd day of May, 1996, before me, a Notary Public in and for said County and State, personally appeared Lawrence J. Beal, of National Railway Equipment Co., who acknowledged himself to be a duly authorized officer of National Railway Equipment Co., and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Debra L Radtke  
\_\_\_\_\_  
Name: Debra L Radtke  
Notary Public  
My Commission Expires: 4-18-97  
Residing in: Will County

**SCHEDULE 1  
TO TERMINATION OF AGREEMENT**

Six (6), General Motors Electro-Motive Division model SD40, 3000 horsepower, dynamic brake equipped, diesel-electric locomotives bearing the following Unit Reporting Marks and Numbers:

DME 4000 (former UP 180)

DME 4001 (former UP 181)

DME 4002 (former UP 643)

DME 4003 (former UP 608)

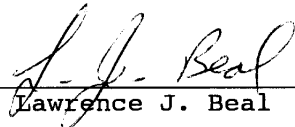
DME 4004 (former UP 622)

DME 4005 (former UP 631)

**CERTIFICATION**

STATE OF ILLINOIS     )  
                                  )  
COUNTY OF WILL     )

The undersigned, Lawrence J. Beal, certifies that he has read the attached document and that said document is identical to the complete and original Termination of Agreement.

  
\_\_\_\_\_  
Lawrence J. Beal

Subscribed and sworn to  
before me this 2nd day of  
May, 1996.

  
\_\_\_\_\_  
Notary Public



SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20425-0001

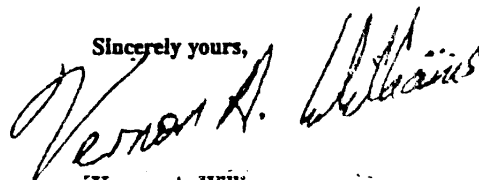
5/6/96

Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/6/96 at 11:40AM , and assigned recordation number(s). 17636-F, 18810-A and 19632-A

Sincerely yours,



Vernon A. Williams  
Secretary

Enclosure(s)

\$ 63.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

